

House File 610 - Introduced

HOUSE FILE 610
BY BROWN-POWERS

A BILL FOR

1 An Act creating an economic opportunity work group to address
2 workforce shortages and economic stability.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. ECONOMIC OPPORTUNITY WORK GROUP.

2 1. The department of human services, the economic
3 development authority, the department of workforce development,
4 and the department of revenue shall convene an interagency work
5 group to collaboratively develop policy and system solutions to
6 address benefits cliffs and other barriers and disincentives in
7 public benefits programs that exacerbate workforce shortages,
8 limit business growth, and impede economic opportunities and
9 financial security for low-income families in the state.

10 2. The work group shall obtain input from affected consumers
11 to determine the priorities and challenges of low-income
12 families, and from public and private stakeholders including
13 but not limited to those with an interest or expertise in
14 business, workforce development, human services, education,
15 housing, community services, and other disciplines, as
16 appropriate.

17 3. The work group shall holistically review public benefits
18 programs and the benefits cliffs to identify structural flaws,
19 barriers, and disincentives in the public benefits system that
20 make it difficult for workers to achieve self-sufficiency, and
21 shall recommend restructuring and realignment opportunities
22 across programs and agencies to improve employment access and
23 economic stability for low-income families.

24 4. Specifically, with regard to the benefits cliffs, the
25 work group shall do all of the following:

26 a. Consider the report entitled "Moving On Up Helping
27 Families Climb the Economic Ladder by Addressing Benefits
28 Cliffs" published in July 2019 by the National Conference of
29 State Legislatures, and the options recommended in the report
30 relating to mapping benefits cliffs, aligning eligibility
31 levels, making work pay, increasing family economic security
32 through asset development, and fostering culture and system
33 changes in the public and private sectors, as well as state
34 activities that address benefits cliffs, the whole family
35 approach to economic opportunity, and others related to

1 fostering economic opportunity for low-income families.

2 b. Analyze the economic, demographic, policy, and
3 regulatory factors affecting the interplay between wages and
4 public and private benefits that result in total gross resource
5 stagnation for low-income families in order to better align
6 and maximize opportunities relating to factors such as earned
7 income eligibility levels, asset limits, income disregards, tax
8 incentives, access to transitional public program benefits,
9 asset development, and community and social network supports
10 across benefits programs to increase family financial security.

11 c. Determine a self-sufficiency standard for Iowans that
12 provides the income necessary for a family to meet basic needs
13 without public or private assistance as a basis upon which to
14 build work and economic security programs in the state.

15 d. Develop a benefits calculator for policymakers,
16 employers, consumers, and caseworkers to use in understanding
17 options and consequences when balancing income, benefits, and
18 community and social network supports and in mitigating the
19 effects of benefits cliffs.

20 e. Educate workforce development programs, employers, and
21 the community about the barriers low-wage workers confront
22 including the trade-offs between meeting immediate needs and
23 seeking socioeconomic advancement through employment.

24 f. Address the challenges related to the effects of benefits
25 cliffs on labor shortages to identify proactive solutions to
26 simultaneously advance family economic goals and work ambitions
27 while addressing labor shortages in an intentional and targeted
28 manner.

29 g. Evaluate the short-term and long-term fiscal impact on
30 the state budget of benefits cliffs reforms including those
31 achieved through new workers entering the labor market and
32 reduced reliance on the social safety net.

33 5. The work group shall submit a report of findings,
34 recommendations, and action steps to the governor and the
35 general assembly by November 15, 2021.

1

EXPLANATION

2

The inclusion of this explanation does not constitute agreement with
the explanation's substance by the members of the general assembly.

3

4

This bill creates an economic opportunity work group to
address workforce shortages and economic stability.

6

The bill directs the department of human services, the
economic development authority, the department of workforce
development, and the department of revenue to convene an
interagency work group to collaboratively develop policy
and system solutions to address benefits cliffs and other
barriers and disincentives in public benefits programs that
exacerbate workforce shortages, limit business growth, and
impede economic opportunities and financial security for
low-income families in the state. The work group shall obtain
input from affected consumers to determine the priorities and
challenges of low-income families, and from public and private
stakeholders. The work group is tasked with holistically
reviewing public benefits programs and the benefits cliffs to
identify structural flaws, barriers, and disincentives in the
public benefits system that make it difficult for workers to
achieve self-sufficiency, and shall recommend restructuring
and realignment opportunities across programs and agencies to
improve employment access and economic stability for low-income
families.

The bill specifies tasks for the work group related to the
benefits cliffs, and requires the work group to submit a report
of findings, recommendations, and action steps to the governor
and the general assembly by November 15, 2021.

28